

This record is a partial extract of the original cable. The full text of the original cable is not available.

241431Z Aug 05

C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 005239

SIPDIS

E.O. 12958: DECL: 08/24/2015

TAGS: [PGOV](#) [PREL](#) [IS](#) [KWBG](#) [GOI](#) [INTERNAL](#)

SUBJECT: SHARON EMBARKS ON THE ROAD TO RE-ELECTION

Classified By: Ambassador Daniel C. Kurtzer for Reasons 1.4 (B) and (D)

.

-----  
SUMMARY  
-----

1. (C) Ariel Sharon's ability to hold on to the Likud leadership and win re-election as the only prime minister ever to evacuate settlements and settlers will depend on his ability to extend the honeymoon with the Left and Center created by his successful disengagement, deal with critical budget issues, and at least temporarily stave off demands from the international community for further concessions to the Palestinians. The timing of those international community demands will impact both Sharon's ability to fulfill them during his remaining months in office, and his ability to win re-election in races that must be held by November 2006, but will more likely come earlier in the year.  
End Summary.

-----  
THE RACE HAS BEGUN IN EARNEST  
-----

2. (C) With his successful evacuation of some 8,000 settlers from the entire Gaza Strip and part of the West Bank, and his stick-in-the-spokes of Likud opponents seeking to unseat him, Ariel Sharon has begun the race for re-election as prime minister in early elections -- the betting is for March -- and for which he will orchestrate the timing. While the religious Zionist movement and its rightist supporters, particularly in Likud, claim betrayal, and while most polls show him running behind Bibi Netanyahu, Sharon is basking in support from the international community and from mainstream Israelis whose children no longer need stand guard duty for settlers in the Gaza Strip. Israel's combined, well trained force of some 55,000 police and military personnel ended 38 years of Gaza settler presence in a mere six days. To win elections, he must now balance the demands of the U.S.-led international community for further disengagement moves against rightist demands that he cede nothing further, particularly absent unambiguous security performance by the Palestinians. To a great extent, his fate is becoming increasingly tied to that of Palestinian Authority President Mahmoud Abbas, who must deliver the economic goods to his own people, and security to the Israelis.

3. (C) The Israeli attorney general has ruled that Israel must hold national elections by November 2006, four years after the elections that gave Sharon his second term as prime minister. Even with its much-divided membership and Knesset delegation, Sharon's Likud remains the dominant political party in the country, and from its numbers will come the next prime minister. Absent the 77-year-old Sharon's death, that means either he or Netanyahu will be the next prime minister. No other Likud leader -- Foreign Minister Silvan Shalom, Education Minister Limor Livnat, rebel leader Uzi Landau, Deputy PM Ehud Olmert, Defense Minister Shaul Mofaz -- carries the political muscle to truly compete against him.

4. (C) Within the party, Sharon's allies squashed this week an effort to force immediate leadership primaries. The delay postpones until at least November 2005 even the Central Committee's consideration of setting early primaries, let alone the primaries themselves, and allows Sharon to enhance his position, gauge his support, and then determine the best time for elections anytime in the period up to the November 2006 deadline.

5. (C) Cutting through the rampant speculation and pundit prognostications, Sharon now faces two choices: try to hold on to the Likud leadership, or split off with the more centrist wing of the party, either separately or as part of what pundits call the "big bang," possibly forming a campaign coalition that could, conceivably, run Sharon, Labor Party leader Shimon Peres, and Shinui leader Tommy Lapid on the same list. Sharon's response to the swirl of big bang speculation and mutations has been clear; he was, is, and shall forever be, Likud. And Shimon Peres has said that he is, and will remain, Labor.

6. (C) We see no reason to doubt Sharon on his stated

intention to compete for and win the leadership of Likud, and, with it, the premiership for another four years. For all his difficulties within Likud, Sharon remains the dominant player in the party, and with the success of the settler evacuation, in Israeli politics overall. Likud currently holds 40 parliamentary seats, a full third of the Knesset. Sharon's opponents within the Knesset delegation are a strong minority, but still a minority. Within the powerful Likud Central Committee and the party more broadly, the numbers are uncertain, but are not so dismal as to prompt his departure for a new, "big bang" party or list. Simply put, Sharon maintains all his options -- and loses none -- by claiming the right exclusively to carry the Likud banner, thus leaving his enemies to make the tough calculation of whether to leave the country's dominant party to go off on their own. If that calculus later fails, leaving him in the minority within Likud, he can always change course at that time; no need to do it now.

-----  
IN THE GAME  
-----

17. (C) Even with disengagement ongoing, Sharon found time in the past week to play both offense and defense. He announced that he will yield no more on territorial or other concessions to the Palestinians -- and certainly not embark on the roadmap -- absent solid Palestinian security performance. Facing Likud and Knesset opposition to a GOI-Egypt deal on turnover of the Philadelphi Strip in Gaza, Sharon opted to seek not only Cabinet review of the deal, but to present it to the Knesset. When opponents, including the powerful Likud chairman of the Foreign Affairs and Defense Committee, criticized the deal for not addressing possible Egyptian arms transfers to the Palestinians, Sharon sent his team back to successfully re-negotiate the deal with Egypt, stymying opposition.

-----  
TIMING OF INTERNATIONAL PRESSURE IS KEY  
-----

18. (C) Whether Sharon can first hang on to his marginal dominance within Likud, and then enhance it to ensure victory in primaries and national elections, will depend on his responses to anticipated -- perhaps "promised" is a better word -- international pressure for further concessions to the Palestinians and re-embarkation on the roadmap. Sharon has two calendar facts that can provide a break during which to re-trench for his campaigns: (A) While settler evacuation has been completed, IDF disengagement from Gaza will continue for several weeks, closing the gap available for any further demands or government action until (B) the full month of continuous Israeli holidays in October. Those holidays largely prevent any serious political or other action until at least early November, and, absent Palestinian violence or serious international demands, perhaps longer. How the prospective January 26 Palestinian Legislative council elections play into Sharon's calculation is uncertain.

19. (C) The breadth and intensity of international pressure for further concessions both during and after this next two-plus months -- and Sharon's response to it -- will determine the extent to which he can sustain his primacy within Likud to win party primaries whose date he will rightly try to set for his own benefit. Early international pressure for concessions will increase rightist demands for Sharon to either rebuff the demands or call primaries, and then elections, eliminating the "cushion" of the October holiday period. Those earlier primaries, with rightists still smarting from disengagement and facing more of what they would call "surrender," will divide the Likud. Likewise, any lengthy postponement of international demands for further steps and for resumption of the roadmap, with a likely consequent loss of momentum with the Palestinians, would open the possibility of resumed violence that the Right -- particularly within Likud -- could use to attack both disengagement and Sharon as failures. In short, Sharon -- and the international community -- have a so-far indeterminate window during which the first Israeli prime minister to remove settlers from Eretz Israel can best seek re-election.

\*\*\*\*\*  
Visit Embassy Tel Aviv's Classified Website:  
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's  
Classified SIPRNET website.

\*\*\*\*\*  
KURTZER